



Department of Neighborhoods

FY2021 Zero Based Budget Workshop Presentation

April 16, 2020

Program Organizational Chart (in thousands)



General Fund
Department of Neighborhoods
Projected Budget \$11,518.5
FTEs: 93.7

Code Enforcement	Mayor's Assistance	Youth & Family Services	New Americans Assistance	Executive Oversight	Administrative Support
FY21 Budget \$6,977.5 FTEs: 58.7	FY21 Budget \$911.3 FTEs: 10.0	FY21 Budget \$1,206.2 FTEs: 12.0	FY21 Budget \$224.6 FTEs: 2.0	FY21 Budget \$1,452.1 FTEs: 11.0	FY21 Budget \$746.8 FTEs: 0.0
Enforces Article IX of Chapter 10 of the Houston Code of Ordinances relating to dangerous buildings, weeded lots, junked motor vehicles, and unlawfully placed signs in City's right of way.	Ensures responses and resolution to Mayoral priorities, community complaints, provides education about City services, coordinates Town Halls, CIP Meetings as well as serving as liaison to Civic Clubs and Super Neighborhood Council.	Develops and implements programs that serve youth, families, and communities through direct services, collaboration, outreach, education, and policy development, including the Mayor's Youth Council.	Reaches out to Houston's diverse community of immigrants, expatriates and refugees to facilitate their successful civic, economic, and cultural integration as members of our community	Provides executive support, leadership, financial oversight, and long-range direction to all programs.	Contains the department-wide utilized and restricted accounts.

General Fund Revenues Overview

(\$ in thousands)



Category	FY19 Actual	FY20 Projected Current Budget	FY20 Estimates	FY21 Projected	Variance FY21 Prop/FY20 Estimates	% Change
Licenses & Permits	.65	1.1	.65	1.1	.45	69%
Charges for Services	1,476.1	1,439.3	1,529	1,545	16	1%
Other Fines & Forfeits	1,143.3	1088	1,089.4	1,143.2	53.8	5%
Miscellaneous/Other	39.4	30.3	26	34.4	8.4	32%
Total	2,659.5	2,558.7	2,645	2,723.7	78.7	3%

Department Expenditures By Category (\$ in thousands)



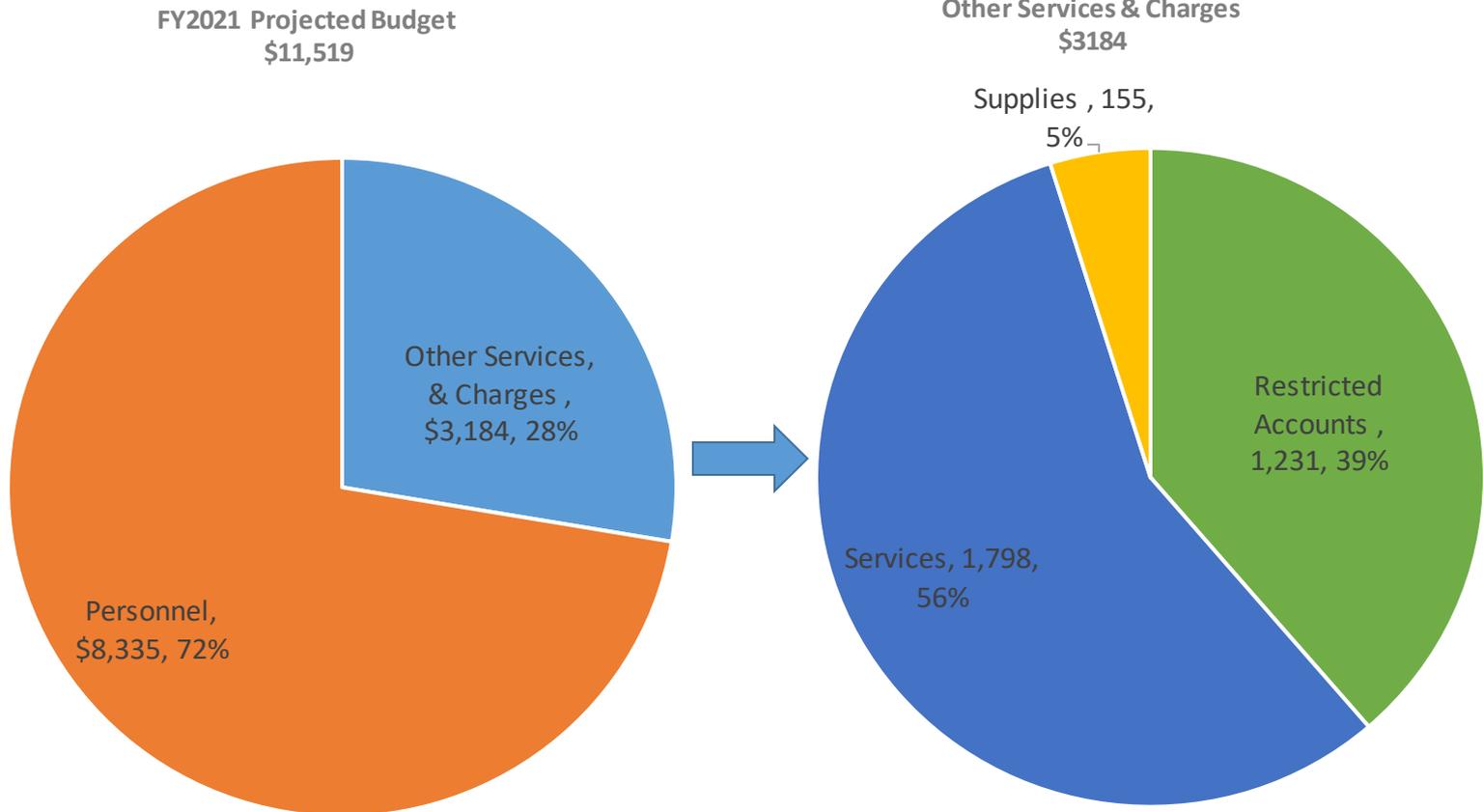
Category	FY19 Actual	FY20 Projected Current Budget	FY20 Estimates	FY21 Projected Budget	Variance FY21 Projected Budget/FY20 Projected Current Budget	% Change
Personnel	8,113	8,394	8,297	8,334	-59.7	-1%
Supplies	130	144	147	155	10.7	7%
Restricted Accounts*	1,016	1,148	1,120	1,231	83.7	7%
Services (contracts)	1,650	1,566	1,666	1,798	232.2	15%
Equipment	0	0	0	0	0	N/A
Transfers/Debt Payment	0	0	0	0	0	N/A
Total	10,909	11,252	11,230	11,519	266.9	2%

*Restricted Accounts -Budget includes service chargeback accounts for items such fuel, electricity, IT accounts, etc.
See appendix for more details

FY2021 Personnel vs Non Personnel



(\$in thousands)

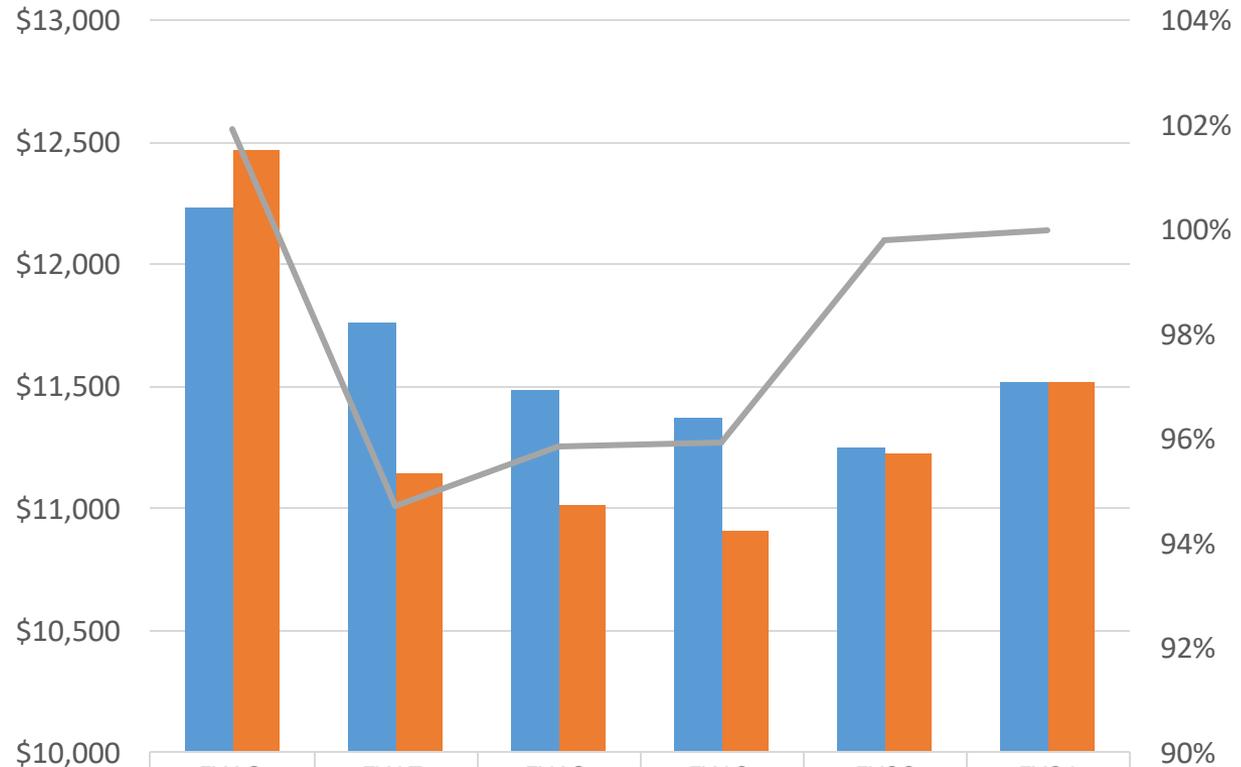


FY2021 Budget Expenditures Net Change (in thousands)



Department of Neighborhoods	Net Change	
\$ in Thousands		
FY2021 General Fund Budget Expenditures Net Change to FY2020 Current Budget		
FY2020 Current Budget		
Operating Budget	\$ 10,104	<i>Notes</i>
Restricted Budget	1,148	7
FY2020 Current Budget	\$ 11,252	
Explanation of FY2021 Incremental Increase/(Decrease)		
Operating Budget Adjustments		
Budget reduction initiatives	(167)	
Personnel budget utilization savings	-	
Subtotal Operating Budget Adjustments	\$ (167)	
% Change from FY21 Operating Budget	(1.7%)	
Contractual or Mandated Adjustments:		
Health Benefits Active Civilian	\$ 30	
Health Benefits Active Classified (if applicable)	-	
Municipal Pension	71	6
Classified Pension (if applicable)	-	
Restricted Accounts	84	
Program Adjustment	501	
Subtotal Contractual/Mandated Increases	\$ 686	
FY2021 Proposed Budget		
Operating and Contractual Adjustments	\$ 519	
FY2021 Proposed Budget	\$ 11,519	
% Change from FY20 Current Budget	2.4%	
Notes:		
1. Restricted Budget includes service chargeback accounts for items such fuel, electricity, IT accounts, etc		
2. Includes HOPE Allowance (incl. FICA & Pension) as well as Municipal Pension increase		

Budget History (\$Thousands)



	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Estimate	FY21 Projected
Adopted Budget	\$12,238	\$11,765	\$11,486	\$11,374	\$11,252	\$11,519
Actual/Estimate Budget	\$12,472	\$11,143	\$11,012	\$10,909	\$11,230	\$11,519
Percent Budget Spent	102%	95%	96%	96%	100%	100%



Program Details

Code Enforcement (in thousands)



Program Name:	Code Enforcement
Program Description:	Enforces City codes pertaining to dangerous buildings, weeded lots, junked motor vehicles, and unlawfully placed signs upon the City's right-of-way. Responds to emergencies caused by natural disaster. Provides timely and effective customer service to the public.
Program Deliverables:	This program conducts an average of 209 inspections daily or approximately 76,300 annually and has demolished over 325 structures and cut over 50,000 weeded lots since FY 2019.
Plan Houston:	Nurture Safe & Healthy Neighborhoods
Staffing / FTE Count:	58.7 FTEs
Significant Changes:	Increase in this program is primarily due to contractual obligations of to enhance and supplement the CDBG Entitlement Code Enforcement Program.

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget*
\$6,435	\$6,753	\$6,573	\$6,977

FY2021 Enhanced Package**	Comment
\$501	The enhanced package includes an additional \$501,102 to supplement and enhance the Code Enforcement CDBG grant by adding 7 new Code Enforcement Officers. Despite this enhancement the program's General Fund FTE's was reduced by 5.3%.

* FY2021 projected budget represents funding to continue the level of services currently provided

** Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

Mayor's Assistance (in thousands)



Program Name:	Mayor's Assistance
Program Description:	This program Through community liaisons, ensures responses, and resolution to Mayoral priorities, community complaints, provides education about City services to the community, and supplements other City departments with project staffing. Primary liaison to Super Neighborhood Association and CIP meetings.
Program Deliverables:	This program handles approximately 33,000 citizen cases annually. The program also assists the public with presentations to the Mayor and City Council on Tuesdays at the weekly City Council Public Session, conducts City Hall Tours, and coordinate responses and resolutions to community complaints through appropriate city departments and other agencies.
Plan Houston:	Nurture Safe & Healthy Neighborhoods
Staffing / FTE Count:	10.0 FTEs
Significant Changes:	Program budget reduced by 3% despite contractual obligations including HOPE pay raise, pension cost, and health benefits

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$936	\$941	\$942	\$911

FY2021 Efficiency/Reduction **	Comment
\$78	Reduce 1 vacant community liaison position.

* FY2021 projected budget represents funding to continue the level of services currently provided

** Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

Youth & Family Services (in thousands)



Program Name:	Youth and Family Services
Program Description:	The division develops and implements programs that serve youth, families, and communities through direct services, volunteer initiatives, collaboration, outreach, education, and policy development.
Program Deliverables:	Over the last year the program has services 8,000 youth via its services and programs, while maintaining a recidivism rate of 5% and a compliance rate of 85%
Plan Houston:	Nurture Safe & Healthy Neighborhoods
Staffing / FTE Count:	12.0 FTEs
Significant Changes:	Program budget reduced by 7% despite contractual obligations including HOPE pay raise, pension cost, and health benefits

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$1,195	\$1,302	\$1,290	\$1,206

FY2021 Efficiency/Reduction **	Comment
\$88	Reduce 1 vacant counselor position.

* FY2021 projected budget represents funding to continue the level of services currently provided

** Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

New American Services (in thousands)



Program Name:	New American Services
Program Description:	In partnership with community-based organizations and volunteers reaches out to Houston's diverse community of immigrants, ex-patriates and refugees to facilitate their successful civic, economic, and cultural integration as members of our community.
Program Deliverables:	This program provides information to the public about immigrant and immigration policies, act as a liaison between immigrant communities and city government. The program also provides assistance with information/curriculum development for citizenship classes.
Plan Houston:	Nurture Safe & Healthy Neighborhoods
Staffing / FTE Count:	2.0 FTEs
Significant Changes:	Program budget increase due to contractual obligations including HOPE pay raise, pension cost, and health benefits

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$218	\$225	\$224	\$225

FY2021 Efficiency/Reduction *	Comment
\$-	Program budget remains flat despite personnel contractual obligations

* FY2021 projected budget represents funding to continue the level of services currently provided

** Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

Executive Oversight (in thousands)



Program Name:	Executive Oversight
Program Description:	Provides executive support and leadership to all divisions of the department. Provides all divisions with services in budget, purchasing, receiving grants, receiving funds, and accounts payables.
Program Deliverables:	Program are allocated to the 4 DON service delivery programs based on FTE count
Plan Houston:	Nurture Safe & Healthy Neighborhoods
Staffing / FTE Count:	11.0 FTEs
Significant Changes:	Increase in this program is primarily due the transfer of 2 internal employees as well as contractual obligations of to enhance and supplement the CDBG Entitlement Code Enforcement Program.

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget*
\$1,322	\$1,099	\$1,180	\$1,452

FY2021 Enhanced Package**	Comment
\$220	The enhanced package includes an additional \$200,000 personnel cost due to the transfers of the Volunteer Coordinator from Youth and Family Services and Senior Staff Analyst transfer from Code Enforcement. As well as the transfer of \$20,000 contract service cost for One Inc. volunteer cloud database from Youth and Family Services.

* FY2021 projected budget represents funding to continue the level of services currently provided

** Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and r eduction initiatives as part of efficiencies.

Administrative Support (in thousands)



Program Name:	Administrative Support
Program Description:	In partnership with community-based organizations and volunteers reaches out to Houston's diverse community of immigrants, ex-patriates and refugees to facilitate their successful civic, economic, and cultural integration as members of our community.
Program Deliverables:	Program cost allocated to the 4 DON service delivery programs based on FTE count
Plan Houston:	Nurture Safe & Healthy Neighborhoods
Staffing / FTE Count:	2.0 FTEs
Significant Changes:	Program budget reduction due to the DON no longer funding 2 FTE's to support the InFor enterprise application, despite net increase in the Department's restricted accounts.

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$258	\$931	\$1,021	\$748

FY2021 Efficiency/Reduction **	Comment
\$287	Program budget reduction due to the DON no longer funding 2 FTE's to support the InFor enterprise application. These charges will now be charges to IT application Services based on calls for service.

* FY2021 projected budget represents funding to continue the level of services currently provided

** Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.



Thank You!

Q&A



Appendix



ZBB & Program Allocation Details A-1

Program	FTE Count	FTE%	FY21 w/out Overhead	Allocate to all programs		Program FY21 Proposed
				Executive Oversight*	Administrative Support**	
DON - Code Enforcement***	58.7	71%	6,977,486	1,030,680	530,064	8,538,230
DON - Mayor's Assistance	10.0	12%	911,330	175,584	90,300	1,177,215
DON - Youth and Family Services	12.0	15%	1,206,216	210,701	108,361	1,525,278
DON - New Americans Services	2.0	2%	224,605	35,117	18,060	277,782
Total	82.7	100%	9,319,637	1,452,083	746,785	11,518,505
DON -Executive Oversight	11.0	66%	1,452,083			
DON - Administrative Support	0.0	34%	746,785			
Total	11.0	100%	2,198,868			
			11,518,505			

* Executive Oversight represents the Director's Office. Supports all functions of the Department.

**Administrative Support holds the budget for all restricted and department-wide accounts

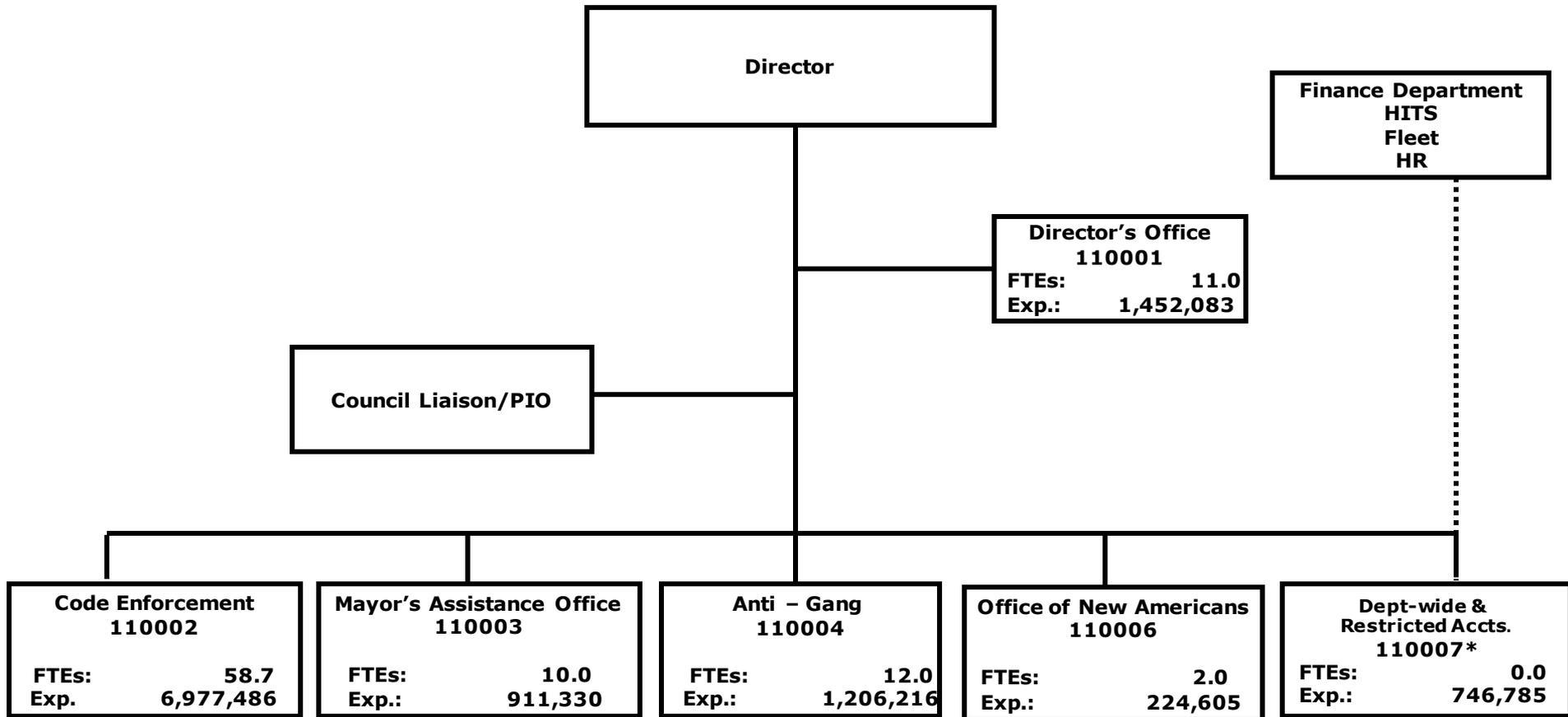
*** Includes approved PBJ amount of \$501,210



Restricted Account Details A-2

GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.

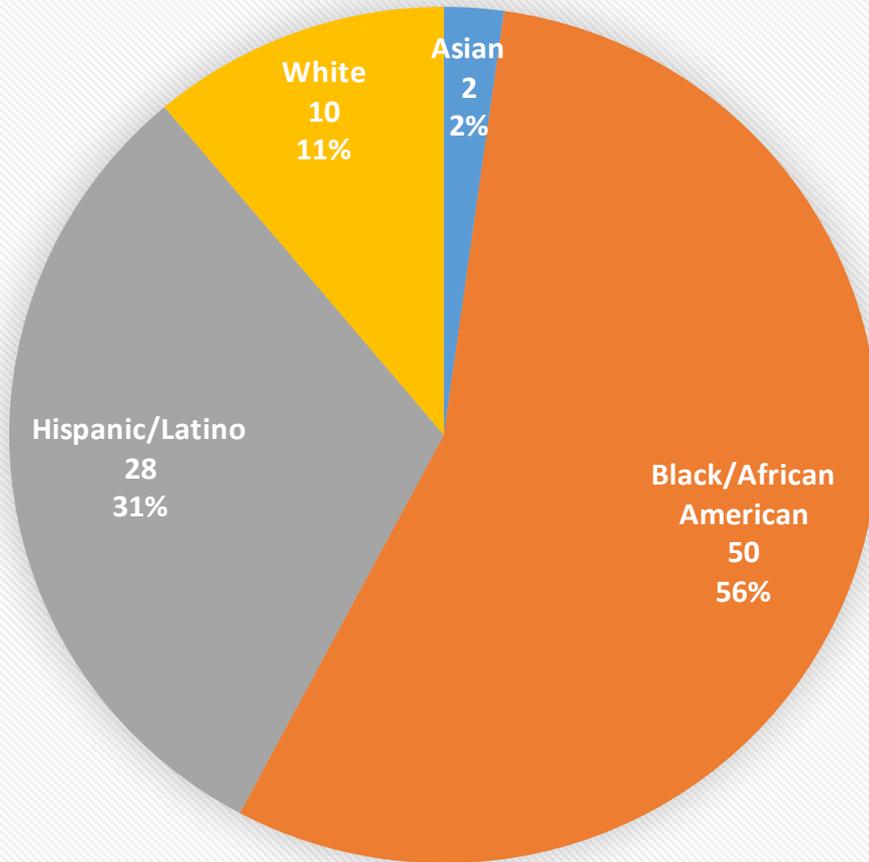
Org Chart A-3



* Cost Center Only. Not a Division of DON

Department Demographics

General Fund A-4



Gender Breakdown

Female: 44

Male: 46

Grand Total: 90

FY 2020 Performance Measures A-5



Customer Measures	Priorities	FY19 Actual	FY20 Budget	FY20 Estimates	FY21 Proposed
Percent of anti-Gang Program Youth Who Completed Program Services	Nurture Safe & Healthy Neighborhoods	86%	87%	87%	88%
Percent of Anti-Gang Youth Who Reoffend	Nurture Safe & Healthy Neighborhoods	6%	5%	5%	5%
Youth Served Through Anti-Gang Programs	Nurture Safe & Healthy Neighborhoods	6856	8,000	8,000	8,000
Business Process Measures	Priorities	FY19 Actual	FY20 Budget	FY20 Estimates	FY21 Proposed
Average Daily Inspections	Nurture Safe & Healthy Neighborhoods	225	350	209	350
Average Days from Inspection to Initial inspection	Nurture Safe & Healthy Neighborhoods	16	7	38	7
Dangerous Buildings Demolished	Nurture Safe & Healthy Neighborhoods	167	300	164	300
Junked Motor Vehicles Resolved	Nurture Safe & Healthy Neighborhoods	1,038	950	941	950
Weeded Lots Cut	Nurture Safe & Healthy Neighborhoods	21,008	10,000	17,773	10,000